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MICHIGAN HOUSE OF REPRESENTATIVES

**MARY VALENTINE**  
STATE REPRESENTATIVE

COMMITTEES:  
FAMILIES AND CHILDREN'S  
SERVICES, CHAIR  
AGRICULTURE  
EDUCATION  
HEALTH POLICY

April 15, 2010

Honorable Chairwoman Rep. Barb Byrum

Honorable Members of the House Insurance Committee: Rep. Coleman Young, Rep. Bob Constan,  
Rep. LaMar Lemmons, Jr., Rep. Ellen Cogen Lipton, Rep. Andy Neuman, Rep. Gino Polidori,  
Rep. Kate Segal, Rep. Joel Sheltrown, Rep. Jimmy Womack, Rep. Cindy Denby, Rep. Kevin Green,  
Rep. Joe Haveman, Rep. Pete Lund, Rep. James Marleau, Rep. Tim Moore, Rep. Tory Rocca

Dear Colleagues,

I respectfully urge you to support Senate Bill 1174 with no changes, amendments or delays. This bipartisan legislation is vital to protect small businesses from hostile takeovers by out-of-state companies. SB 1174 passed the Senate with broad bipartisan support March 23.

Time is of the essence, since one such small Michigan business - Fremont Michigan InsuraCorp, Inc. - currently faces just such a threat. A hostile takeover endangers both the jobs Fremont Insurance provides in the community as well as its crucial partnerships with small Michigan businesses which help drive local economies across our state.

SB 1174 would provide stronger protections to small businesses such as Fremont Insurance by requiring a company facing a hostile takeover get approval for the takeover from two-thirds of its shareholders, instead of a simple 50-percent majority. Importantly, it would not limit buyouts or takeover attempts by legitimate suitors.

A 134-year-old small insurance business, Fremont Insurance employs 70 people and provides insurance and services to more than 45,000 policyholders representing small businesses, agriculture, boaters, tourism and local families across Michigan. It is the third largest employer in Fremont with a network of more than 175 agents serving communities throughout the state. In addition to creating local jobs and investing in the community, Fremont Insurance is also a full partner with the state's successful and hugely popular "Pure Michigan" tourism campaign.

For more than a century, Fremont Insurance has been a steadfast community partner and contributor to their policyholders' well-being. We must stand with the employees of Fremont Insurance Co. and the loyal small businesses, farmers and homeowners who wish to maintain this community relationship well into the 21st Century. SB 1174 will protect local jobs and continue the company's critical investment in the community.

Michigan is always ready to roll out the welcome mat for investments that create jobs. At the same time, we must also stand shoulder to shoulder with Michigan businesses and their employees when their companies and jobs are at risk. Please vote Senate Bill 1174 out of committee without delay, and without change.

Sincerely,

Mary Valentine